By: Nevárez H.B. No. 4322

## A BILL TO BE ENTITLED

1	AN ACT
2	relating to the creation of the Val Verde County Groundwater
3	Conservation District; providing authority to issue bonds;
4	providing authority to impose fees, surcharges, and taxes.
5	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
6	SECTION 1. Subtitle H, Title 6, Special District Local Laws
7	Code, is amended by adding Chapter 8872 to read as follows:
8	CHAPTER 8872. VAL VERDE COUNTY GROUNDWATER CONSERVATION DISTRICT
9	SUBCHAPTER A. GENERAL PROVISIONS
10	Sec. 8872.001. DEFINITIONS. (a) Except as provided by
11	Subsection (b), the definitions in Section 36.001, Water Code,
12	apply to this chapter.
13	(b) In this chapter:
14	(1) "Aquifer" means that part of the Edwards-Trinity
15	(Plateau) Aquifer located in Val Verde County.
16	(2) "Board" means the board of directors of the
17	district.
18	(3) "City" means the City of Del Rio.
19	(4) "Commissioners court" means the Val Verde County
20	Commissioners Court.
21	(5) "Director" means a member of the board.
22	(6) "District" means the Val Verde County Groundwater
23	Conservation District.
24	(7) "Domestic use" means the use of groundwater in the

- 1 district by a member of a well owner's household or by household
- 2 employees, tenants, licensees, or guests for the following
- 3 purposes:
- 4 (A) drinking, washing, or culinary activities;
- 5 <u>(B) irrigation of:</u>
- 6 <u>(i) lawns;</u>
- 7 <u>(ii) family gardens; or</u>
- 8 <u>(iii) orchards, if the produce of the</u>
- 9 orchard is used only for household consumption;
- 10 (C) filling or maintaining swimming pools,
- 11 decorative ponds, or fountains located on the well owner's
- 12 property; and
- 13 (D) drinking water for domestic animals not
- 14 raised, maintained, or sold for commercial purposes.
- 15 (8) "Existing well" means a well that is completed to
- 16 produce groundwater in Val Verde County on or before January 1,
- 17 2017. The term includes a well that is reworked or repaired after
- 18 January 1, 2017, to restore the well's historic production
- 19 capacity, provided that the reworking or repair does not enlarge
- 20 the diameter of the well bore as the well bore existed on January 1,
- 21 2017.
- 22 (9) "Historic use" means the production and beneficial
- 23 use of groundwater from an existing well in any calendar year before
- 24 January 1, 2017.
- 25 (10) "Political subdivision" means a governmental
- 26 entity of this state, including a county, municipality, state
- 27 agency, or district or authority created under Section 52, Article

- 1 III, or Section 59, Article XVI, Texas Constitution. The term also
- 2 includes a nonprofit water supply corporation created under Chapter
- 3 67, Water Code.
- 4 (11) "Retail public utility" has the meaning assigned
- 5 by Section 13.002, Water Code.
- 6 (12) "Rural area" means an area that is located:
- 7 (A) inside the boundaries of the district; and
- 8 (B) outside the corporate boundaries and
- 9 extraterritorial jurisdiction of a municipality in the district.
- 10 Sec. 8872.002. NATURE OF DISTRICT; PURPOSE. (a) The
- 11 district is a groundwater conservation district in Val Verde County
- 12 created under and essential to accomplish the purposes of Section
- 13 59, Article XVI, Texas Constitution, including:
- 14 (1) the <u>permitting</u>, <u>recharge</u>, <u>conservation</u>,
- 15 protection, and prevention of the waste of groundwater in Val Verde
- 16 County;
- 17 (2) the control of subsidence caused by the
- 18 unreasonable withdrawal of groundwater;
- 19 (3) the regulation of transporting groundwater
- 20 outside the boundaries of the district;
- 21 (4) the regulation of groundwater production and the
- 22 implementation of drought management and conservation plans for the
- 23 reduction of drawdown when conditions warrant action to protect
- 24 spring flow and base flow; and
- 25 (5) the management of the issuance of permits by
- 26 requiring studies and groundwater availability model analyses of
- 27 permit applications that include the use of conservation triggers

- 1 to mitigate the impact on spring flow, base flow, and drawdown.
- 2 (b) The district is created to serve a public use and
- 3 benefit.
- 4 (c) All of the land and other property included within the
- 5 boundaries of the district will benefit from the works and projects
- 6 that are to be accomplished by the district under powers conferred
- 7 by Section 59, Article XVI, Texas Constitution, this chapter, and
- 8 Chapter 36, Water Code.
- 9 Sec. 8872.003. CONFIRMATION ELECTION REQUIRED. If the
- 10 creation of the district is not confirmed at a confirmation
- 11 election held under Section 8872.023 before September 1, 2022:
- 12 (1) the district is dissolved September 1, 2022,
- 13 except that:
- 14 (A) any debts incurred shall be paid;
- 15 (B) any assets that remain after the payment of
- 16 debts shall be transferred to Val Verde County and the city in
- 17 proportion to the amount each entity has contributed to the costs of
- 18 the confirmation election and district operations; and
- 19 (C) the organization of the district shall be
- 20 maintained until all debts are paid and remaining assets are
- 21 <u>transferred; and</u>
- 22 (2) this chapter expires September 1, 2024.
- 23 Sec. 8872.004. INITIAL DISTRICT TERRITORY. The boundaries
- 24 of the district are coextensive with the boundaries of Val Verde
- 25 County.
- SUBCHAPTER A-1. TEMPORARY PROVISIONS
- Sec. 8872.021. APPOINTMENT OF TEMPORARY DIRECTORS;

- 1 VACANCIES; TERMS. (a) As soon as practicable after the effective
- 2 date of the Act enacting this chapter, seven temporary directors
- 3 shall be appointed as follows:
- 4 (1) three temporary directors shall be appointed by
- 5 the commissioners court;
- 6 (2) three temporary directors shall be appointed by
- 7 the city council of the city; and
- 8 (3) one temporary director shall be appointed jointly
- 9 by the county judge of Val Verde County and the mayor of the city.
- 10 (b) An individual appointed to serve as a temporary director
- 11 <u>must be at least 18 years of age and be a registered voter of Val</u>
- 12 Verde County.
- (c) If there is a vacancy on the temporary board of
- 14 directors of the district, the remaining temporary directors shall
- 15 appoint a person to fill the vacancy in a manner that meets the
- 16 <u>representational requirements of this section.</u>
- 17 (d) Temporary directors serve until the earlier of:
- 18 (1) the date the temporary directors become initial
- 19 directors under Section 8872.024; or
- 20 (2) the date this chapter expires under Section
- 21 8872.003.
- 22 <u>(e) Before the confirmation</u> election under Section
- 23 8872.023, the presiding officer of the district or the presiding
- 24 officer's designee may represent the district in the joint planning
- 25 process under Section 36.108, Water Code, and shall be considered a
- 26 voting district representative.
- 27 <u>Sec. 8872.022.</u> <u>ORGANIZATIONAL</u> <u>MEETING</u> OF TEMPORARY

- 1 DIRECTORS. (a) As soon as practicable after all the temporary
- 2 directors have qualified under Section 36.055, Water Code, a
- 3 majority of the temporary directors shall convene the
- 4 organizational meeting of the district at a location within the
- 5 district agreeable to a majority of the directors. If an agreement
- 6 on location cannot be reached, the organizational meeting shall be
- 7 at the Val Verde County Courthouse.
- 8 (b) At the organizational meeting described by Subsection
- 9 (a), the temporary directors shall:
- 10 (1) elect a president as presiding officer, vice
- 11 president, secretary, and treasurer;
- 12 (2) schedule the confirmation election described by
- 13 Section 8872.023; and
- 14 (3) notify the applicable groundwater management area
- 15 of the district's creation, subject to confirmation under Section
- 16 <u>8872.023.</u>
- 17 Sec. 8872.023. CONFIRMATION ELECTION. (a) The temporary
- 18 board shall order an election to be held on the first available
- 19 uniform election date in November following January 1, 2018, to
- 20 confirm the creation of the district and authorize the collection
- 21 of taxes.
- 22 <u>(b) The ballot for the election must be printed to permit</u>
- 23 voting for or against the following proposition: "The creation of
- 24 the Val Verde County Groundwater Conservation District and the
- 25 imposition of an ad valorem tax in the district at a rate not to
- 26 exceed five cents for each \$100 of assessed valuation."
- 27 (c) Except as provided by this section, a confirmation

- 1 election must be conducted as provided by Sections 36.017(b)-(i),
- 2 Water Code, and the Election Code.
- 3 (d) If the district's creation is not confirmed at an
- 4 election held under this section, the temporary directors may order
- 5 one or more subsequent elections to be held to confirm the creation
- 6 of the district not earlier than the first anniversary of the
- 7 preceding confirmation election. If the district's creation is not
- 8 confirmed at an election held under this section before September
- 9 1, 2022, the district is dissolved in accordance with Section
- 10 8872.003.
- 11 (e) The costs of an election held under this chapter shall
- 12 be paid by Val Verde County and the city.
- 13 Sec. 8872.024. INITIAL DIRECTORS. (a) If the creation of
- 14 the district is confirmed at an election held under Section
- 15 <u>8872.023</u>, the temporary directors become the initial directors and
- 16 serve until permanent directors are elected or appointed under
- 17 Section 8872.052.
- 18 (b) The initial directors of the board shall draw lots to
- 19 determine which three directors shall serve a term expiring
- 20 December 1 of the year two years after the date of the election in
- 21 which the district is confirmed and which four directors shall
- 22 <u>serve a term expiring December 1 of the year four years after the</u>
- 23 date of the election in which the district is confirmed.
- (c) The initial directors shall provide notice to the
- 25 members of the groundwater management area in which the district is
- 26 located that the creation of the district is confirmed.
- Sec. 8872.025. EXPIRATION OF SUBCHAPTER. This subchapter

- 1 <u>expires September 1, 2023.</u>
- 2 SUBCHAPTER B. BOARD OF DIRECTORS
- 3 Sec. 8872.051. COMPOSITION OF BOARD. The district is
- 4 governed by a board of seven directors.
- 5 Sec. 8872.052. TERMS; APPOINTMENT AND ELECTION OF
- 6 DIRECTORS; QUALIFICATIONS. (a) Directors serve staggered
- 7 four-year terms, with three or four terms expiring December 1 every
- 8 other year. Directors are elected or appointed as follows:
- 9 (1) one director is elected from each of the four
- 10 county commissioners precincts by the voters of the applicable
- 11 precinct to be designated as the director whose place number
- 12 matches the applicable precinct number;
- 13 (2) one director is elected by the voters of the
- 14 district at large to be designated as the director for place number
- 15 five; and
- 16 (3) two directors who each own at least 1,000 acres of
- 17 land in the rural area are appointed by the county judge of Val
- 18 Verde County and the mayor of the city, respectively, to be
- 19 designated as the directors for place numbers six and seven.
- 20 (b) To be elected or appointed under this section, a person
- 21 must be at least 18 years of age and:
- (1) a registered voter of Val Verde County; and
- 23 (2) if elected from a commissioners court precinct, a
- 24 resident of that precinct.
- 25 (c) An election to elect directors must be held on the
- 26 uniform election date in November of even-numbered years.
- 27 (d) A director may serve consecutive terms.

- 1 Sec. 8872.053. VACANCIES. (a) If there is a vacancy on the
- 2 board, a majority of the board shall appoint a person to fill the
- 3 vacancy for the remainder of the term of the vacant director place.
- 4 The person appointed to fill the vacancy must meet the
- 5 qualifications under Section 8872.052 for the vacant place.
- 6 (b) If the board has not filled a vacancy before the 90th day
- 7 after the date of the vacancy, the county judge of Val Verde County
- 8 and the mayor of the city shall jointly appoint a person that meets
- 9 the qualifications under Section 8872.052 for the vacant place to
- 10 serve as director for the remainder of the term being filled.
- Sec. 8872.054. COMPENSATION. (a) A director is not
- 12 entitled to receive compensation for performing the duties of a
- 13 director.
- 14 (b) The board may authorize a director to receive
- 15 reimbursement for the director's reasonable and actual expenses
- 16 <u>incurred while engaging in activities inside or outside the</u>
- 17 district on behalf of the board.
- 18 Sec. 8872.055. ELECTION OF BOARD OFFICERS. (a) At the
- 19 first meeting of the board in each calendar year, the board shall
- 20 elect directors to serve as the president, vice president,
- 21 secretary, and treasurer.
- 22 (b) The president shall serve as the presiding officer of
- 23 the board.
- 24 (c) The treasurer shall serve as the financial officer of
- 25 the district.
- SUBCHAPTER C. POWERS AND DUTIES
- Sec. 8872.101. GENERAL POWERS. (a) Except as otherwise

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- 1 provided by this chapter, the district has all of the rights,
- 2 powers, privileges, functions, and duties provided by the general
- 3 law of this state applicable to groundwater conservation districts
- 4 created under Section 59, Article XVI, Texas Constitution,
- 5 including Chapter 36, Water Code.
- 6 (b) Before confirmation of the district, the district's
- 7 powers are limited to:
- 8 (1) performance of the duties necessary to hold an
- 9 election to confirm the creation of the district;
- 10 (2) registration of existing wells that are not exempt
- 11 from the district requirement to obtain a permit under this chapter
- 12 or Chapter 36, Water Code;
- 13 (3) collection of annual groundwater production
- 14 reports from wells that are not exempt from the district
- 15 requirement to obtain a permit under this chapter or Chapter 36,
- 16 Water Code; and
- 17 (4) participation in joint planning with other
- 18 districts as provided by Section 8872.021(e).
- 19 (c) The district shall adopt rules and prescribe forms
- 20 necessary to implement Subsections (b)(2) and (3).
- 21 (d) Section 36.121, Water Code, does not apply to the
- 22 district.
- Sec. 8872.102. NO EMINENT DOMAIN POWER. The district may
- 24 not exercise the power of eminent domain.
- Sec. 8872.103. PERMITS: RULES. (a) The district shall
- 26 adopt rules to:
- 27 (1) require a person to obtain a permit from the

- 1 district to drill and produce groundwater from a well, including an
- 2 existing well, unless the well is exempt from permitting under this
- 3 chapter or Chapter 36, Water Code;
- 4 (2) regulate the terms of a transfer of groundwater
- 5 out of the district;
- 6 (3) regulate the spacing of wells drilled after
- 7 September 1, 2017, to prevent unreasonable adverse interference
- 8 with other wells;
- 9 (4) provide for the uniform and nondiscriminatory
- 10 reduction or curtailment of the production of groundwater by all
- 11 permit holders in the district, if necessary, to protect spring
- 12 flow and base flow and reduce aquifer drawdown based on scientific
- 13 data provided to the district;
- 14 (5) limit groundwater production:
- 15 (A) by the spacing of wells;
- 16 (B) by basing production on acreage or tract
- 17 size; or
- 18 (C) for a public water supplier, by basing
- 19 production on the service area of the supplier; and
- 20 (6) require the owner of a well that is not exempt from
- 21 the district requirement to obtain a permit under this chapter or
- 22 Chapter 36, Water Code, to report to the district in January of each
- 23 year the annual production of groundwater from the well based on
- 24 metered production.
- 25 (b) The terms of a permit that authorizes the production of
- 26 groundwater for transfer out of the district for beneficial use
- 27 must be consistent with applicable law, including Section 36.122,

- 1 Water Code, and may not be more restrictive than the terms of a
- 2 permit authorizing the production of groundwater for beneficial use
- 3 inside the district.
- 4 (c) The district may establish permit conditions and
- 5 limitations as provided by Section 36.122, Water Code.
- 6 Sec. 8872.104. PERMITS: LANDOWNERS GENERALLY. (a) The
- 7 district shall grant a permit that authorizes a person to drill one
- 8 or more wells not to exceed 12 inches in diameter on land owned or
- 9 controlled by the person through a lease or other legal right.
- 10 (b) Under this section, the district shall grant the
- 11 drilling permit holder a permit for the production of groundwater
- 12 not to exceed an actual production capacity of two acre-feet per
- 13 year for each contiguous acre of land associated with the well.
- 14 (c) The district shall issue a production permit described
- 15 by Subsection (b) for an existing well that has a diameter not
- 16 greater than 12 inches for the production of groundwater not to
- 17 exceed an actual production capacity of two acre-feet per year.
- Sec. 8872.105. PERMITS: CITY. The district shall grant the
- 19 city permits in the city's name that authorize the city to pump from
- 20 all wells operated or controlled by the city a cumulative volume of
- 21 groundwater of 18,400 acre-feet per year.
- 22 <u>Sec. 8872.106. PERMITS: RETAIL PUBLIC UTILITY.</u> (a) The
- 23 district shall grant a permit to a retail public utility in the
- 24 district or to a political subdivision other than the city that is
- 25 providing water or sewer service on or before the effective date of
- 26 the Act enacting this chapter. The permit must authorize the
- 27 production of a cumulative volume of groundwater from the wells

- 1 owned by the entity in an amount equal to the amount of groundwater
- 2 required to meet the entity's current and projected needs as
- 3 determined under Section 13.250, Water Code.
- 4 (b) The permitted entity may not resell the groundwater
- 5 produced under the permit to any person for use or resale outside
- 6 the entity's service area, including the area covered by a
- 7 certificate of convenience and necessity, and must put the water to
- 8 beneficial use within the entity's service area.
- 9 Sec. 8872.107. PERMITS: AGRICULTURE. (a) A person is
- 10 entitled to apply for and receive a permit granted for agricultural
- 11 irrigation. The permit must authorize the production of
- 12 groundwater necessary for the irrigation of crops equal to three
- 13 acre-feet per year for each acre of land inside the district using
- 14 pivot, roller, echo drip, or bordered floor irrigation.
- 15 (b) A permit issued under this section is nontransferable
- 16 and expires on the date the well ceases to be used solely for
- 17 irrigation inside the district.
- 18 Sec. 8872.108. PERMITS: COMMERCE AND INDUSTRY. The
- 19 district shall grant a permit for the production of groundwater
- 20 from an existing well that is beneficially used for commercial or
- 21 <u>industrial purposes outside the limits</u> or the extraterritorial
- 22 jurisdiction of the city. The permit must authorize the production
- 23 of a cumulative volume of groundwater that is equal to the maximum
- 24 historic use as proven by the person seeking the permit.
- Sec. 8872.109. WELL REGISTRATION. A permit issued under
- 26 this chapter authorizing the production of groundwater from the
- 27 aquifer must also authorize the drilling and operation of a well or

- 1 wells in the aquifer, and must require the permit holder to:
- 2 (1) register each well with the district; and
- 3 (2) file a copy of the well driller's log with the
- 4 district on completion of each well.
- 5 Sec. 8872.110. PROPERTY RIGHTS. (a) A permit issued by the
- 6 district for the drilling, operation, or production of a well is
- 7 appurtenant to the real property on which the well is located.
- 8 Ownership of the groundwater, or the right to use and produce the
- 9 groundwater authorized by the permit, may be sold, leased,
- 10 assigned, or otherwise transferred by the owner, provided that the
- 11 rights granted by the permit to drill a well and to produce
- 12 groundwater are exercised on the real property described in the
- 13 permit based on the actual production authorized by the permit.
- 14 (b) Except as provided by this chapter, groundwater
- 15 produced as authorized by a permit, once captured at the wellhead,
- 16 may be beneficially used for any lawful purpose at any location,
- 17 whether on or off the real property to which the permit is attached,
- 18 provided that any beneficial use outside the boundaries of the
- 19 district is authorized by a transport permit issued by the
- 20 district.
- Sec. 8872.111. REDUCTION AND CURTAILMENT. (a) The board by
- 22 rule may provide for the reduction and curtailment of the
- 23 production of groundwater from a well permitted under this chapter
- 24 to protect spring flow and base flow and reduce drawdown in
- 25 accordance with Sections 8872.103(a)(4) and (5).
- 26 (b) To implement a reduction or curtailment, the district
- 27 may, to the extent not otherwise authorized by Section 36.101(a),

- 1 Water Code, limit groundwater production as provided by district
- 2 rules.
- 3 (c) Rules adopted by the board requiring a reduction or
- 4 curtailment of the production of groundwater must be applied on a
- 5 proportional, uniform, and nondiscriminatory basis to all
- 6 permitted production, unless the condition requiring reduction or
- 7 <u>curtailment is limited to a management zone created under Section</u>
- 8 8872.112.
- 9 Sec. 8872.112. MANAGEMENT ZONES. (a) If the district
- 10 determines based on scientific data received by the district in a
- 11 meeting held for that purpose that conditions in or use of an
- 12 aquifer differ substantially between hydrogeological areas of the
- 13 district, the district may establish management zones to better
- 14 manage the groundwater resources and adopt different rules to
- 15 regulate production from the management zones based on acreage,
- 16 tract size, or the service area of a public water supplier. In
- 17 creating management zones, the district may consider:
- 18 (1) each aquifer, subdivision of an aquifer, or
- 19 geologic strata located wholly or partly within the district; or
- 20 (2) each geographic area overlying an aquifer or
- 21 subdivision of an aquifer located wholly or partly within the
- 22 district.
- 23 (b) The district must regulate the production of
- 24 groundwater in a management zone on a proportional, uniform, and
- 25 <u>nondiscriminatory basis</u>.
- Sec. 8872.113. PERMIT RENEWAL. (a) Except as provided by
- 27 Subsection (b), the district shall without a hearing renew or

- 1 approve an application to renew an operating permit before the date
- 2 on which the permit expires, provided that:
- 3 (1) the application, if required by the district, is
- 4 submitted in a timely manner and accompanied by any required fees in
- 5 accordance with district rules; and
- 6 (2) the permit holder is not requesting a change
- 7 related to the renewal that would require a permit amendment under
- 8 district rules.
- 9 (b) The district is not required to renew a permit under
- 10 this section if the applicant:
- 11 (1) is delinquent in paying a fee required by the
- 12 district;
- 13 (2) is subject to a pending enforcement action for a
- 14 substantive violation of a district permit, order, or rule that has
- 15 not been settled by agreement with the district or a final
- 16 <u>adjudication; or</u>
- 17 (3) has not paid a civil penalty or has otherwise
- 18 failed to comply with an order resulting from a final adjudication
- 19 of a violation of a district permit, order, or rule.
- 20 (c) If the district is not required to renew a permit under
- 21 Subsection (b)(2), the permit remains in effect until the final
- 22 <u>settlement or adjudication on the matter of the substantive</u>
- 23 <u>violation</u>.
- Sec. 8872.114. LIMITATION ON WELL PERMIT REQUIREMENTS. (a)
- 25 The district may not require a person to install a meter or obtain a
- 26 permit from the district for:
- 27 (1) a well drilled after January 1, 2017, and used to

- 1 produce groundwater solely inside the district for domestic use or
- 2 for another exempt purpose on a tract of land not larger than 10
- 3 acres and that produces not more than 30,000 gallons of groundwater
- 4 a day, notwithstanding the production capability of the well; or
- 5 (2) a well drilled after January 1, 2017, and used to
- 6 produce groundwater solely inside the district for domestic use or
- 7 for another exempt purpose on a tract of land larger than 10 acres
- 8 and that produces not more than 72,000 gallons of groundwater a day,
- 9 notwithstanding the production capability of the well.
- 10 (b) An owner of a well described by this section shall
- 11 register the well with the district.
- 12 (c) The district may not require a permit or a permit
- 13 amendment for the maintenance or repair of a well that is not exempt
- 14 from permitting under this chapter or Chapter 36, Water Code, if the
- 15 maintenance or repair does not make the well capable of producing an
- 16 <u>amount of groundwater that is greater than the production amounts</u>
- 17 provided by the well's permit.
- 18 <u>(d) Nothing in Subsection (a) prevents the applicability in</u>
- 19 the district of Section 36.113(a), Water Code.
- 20 (e) The owner of an existing well is exempt from the
- 21 district's production permit requirements provided that the
- 22 groundwater produced is for domestic use.
- 23 <u>(f) The owner of a well is exempt from the district's permit</u>
- 24 requirements provided that any groundwater produced is for
- 25 agricultural use.
- Sec. 8872.115. PROHIBITION ON DISTRICT PURCHASE, SALE,
- 27 TRANSPORT, OR DISTRIBUTION OF WATER. The district may not

- 1 purchase, sell, transport, or distribute surface water or
- 2 groundwater for any purpose.
- 3 Sec. 8872.116. RIGHT TO ENTER LAND. Section 36.123, Water
- 4 Code, which authorizes a district's employees or agents to go on and
- 5 inspect the property of a landowner, applies to the district
- 6 provided that:
- 7 (1) access is subject to written notice to the
- 8 landowner; and
- 9 (2) the district's employees and agents are prohibited
- 10 from carrying firearms on the landowner's property.
- Sec. 8872.117. WATER CONSERVATION INITIATIVE. The district
- 12 may create a water conservation initiative as provided by Section
- 13 11.32, Tax Code.
- 14 Sec. 8872.118. REGIONAL GROUNDWATER PLANNING. (a) The
- 15 district shall obtain or develop groundwater models for use in
- 16 planning and management of the aquifer and to assist the district in
- 17 the district's role as a member of the groundwater management area
- 18 in which the district is located.
- 19 (b) The district, to the extent possible and through the
- 20 designated representative for the groundwater management area in
- 21 which the district is located, shall diligently pursue an increase
- 22 in the managed available groundwater and an improvement in the
- 23 desired future conditions for the aquifer as compared to those
- 24 indicators for the aquifer on January 1, 2017.
- 25 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
- Sec. 8872.151. LIMITATION ON TAXES. The district may not
- 27 impose ad valorem taxes at a rate that exceeds five cents on each

- 1 \$100 valuation of taxable property in the district.
- 2 Sec. 8872.152. APPLICABILITY OF CERTAIN TAX PROVISIONS.
- 3 (a) Sections 26.04, 26.05, 26.06, and 26.07, Tax Code, do not apply
- 4 to a tax imposed by the district.
- 5 (b) Section 49.236, Water Code, as added by Chapter 248
- 6 (H.B. 1541), Acts of the 78th Legislature, Regular Session, 2003,
- 7 applies to the district.
- 8 Sec. 8872.153. FEES. (a) The board by rule may impose
- 9 uniform, reasonable, equitable, and nondiscriminatory annual
- 10 production fees on the amount of permitted water actually produced
- 11 from each well.
- 12 (b) A production fee must be consistent with Section 36.205,
- 13 Water Code, and may be based on:
- 14 (1) the size of column pipe used by the well; or
- 15 (2) the amount of water actually withdrawn from the
- 16 well, or the amount authorized or anticipated to be withdrawn.
- 17 (c) The district may assess a uniform and nondiscriminatory
- 18 export fee consistent with Section 36.122, Water Code, on
- 19 groundwater that is produced from a well inside the district and
- 20 transferred outside the district.
- 21 (d) The district may set fees by rule or resolution relating
- 22 to administrative acts of the district, including filing
- 23 applications, reviewing and processing permits, conducting permit
- 24 hearings, providing public notice, and paying costs of legal fees,
- 25 expert fees, and hearing facility rental fees. The district may not
- 26 assess a fee in an amount greater than \$250 for processing permits.
- 27 SECTION 2. (a) The legal notice of the intention to

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- 1 introduce this Act, setting forth the general substance of this
- 2 Act, has been published as provided by law, and the notice and a
- 3 copy of this Act have been furnished to all persons, agencies,
- 4 officials, or entities to which they are required to be furnished
- 5 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
- 6 Government Code.
- 7 (b) The governor, one of the required recipients, has
- 8 submitted the notice and Act to the Texas Commission on
- 9 Environmental Quality.
- 10 (c) The Texas Commission on Environmental Quality has filed
- 11 its recommendations relating to this Act with the governor, the
- 12 lieutenant governor, and the speaker of the house of
- 13 representatives within the required time.
- 14 (d) All requirements of the constitution and laws of this
- 15 state and the rules and procedures of the legislature with respect
- 16 to the notice, introduction, and passage of this Act are fulfilled
- 17 and accomplished.
- 18 SECTION 3. This Act takes effect immediately if it receives
- 19 a vote of two-thirds of all the members elected to each house, as
- 20 provided by Section 39, Article III, Texas Constitution. If this
- 21 Act does not receive the vote necessary for immediate effect, this
- 22 Act takes effect September 1, 2017.